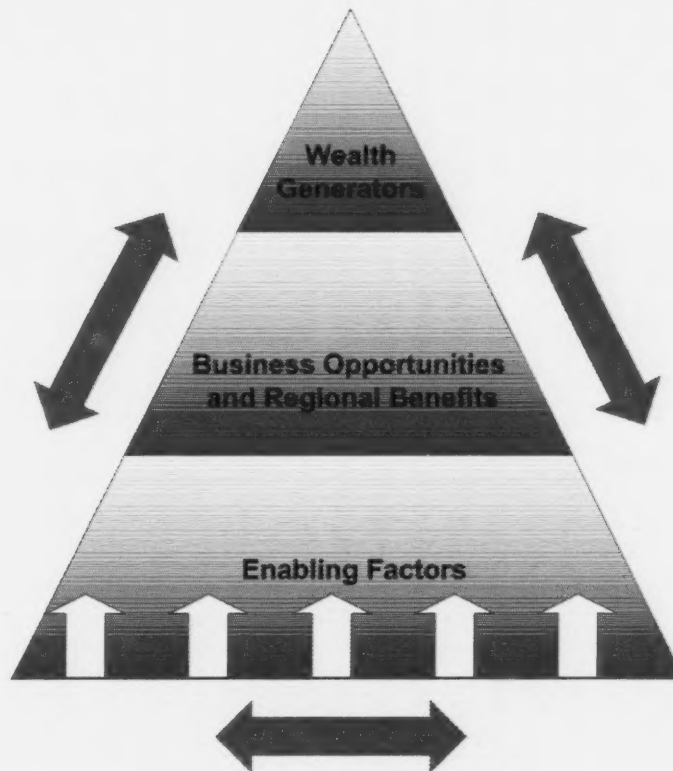

Department of Economic Development Strategic Plan

2012-2017

The quality of life in Yukon is second to none... arising from intense global demand for Yukon resources and manufactured products, natural beauty, high levels of investor confidence, a skilled labour force, rewarding career opportunities, strong First Nations participating in the domestic and global economy, safe communities and a healthy, well-educated populace.



Message from the Minister

Our 2012-2017 Strategic Plan provides a road map for the efforts of the department. It outlines our vision, mission, and values, and provides a description of the context in which we work: both from the department and the broader corporate perspective. This plan explains our strategic goals and what we are doing to achieve them.

Building on the traditional pillars of mining and tourism, the Yukon economy is expanding through the growth of small and medium enterprises. The knowledge sector in Yukon is also expanding, through the development of research centres and the expertise of local entrepreneurs. The economy continues to diversify in such sectors as film and sound, research, and innovation.

Since 2008, the global economy has experienced a significant downturn whose impacts are still being felt in many places worldwide. Nevertheless, the fundamental trends that impact Yukon's economy still apply. As identified in *Pathways to Prosperity*, the global trends of increasing population, economic growth and rising purchasing power in emerging economies are continuing, creating heightened demand for natural resources, new and interesting tourist destinations, innovative products and services, and skilled workers in all sectors.

Yukon is increasingly connected to the global economy. Improvements to infrastructure, including roads, ports and fibre optic connectivity, help to make Yukon more competitive. Modern and streamlined regulations, and targeted programs and activities, attract and foster economic growth. This in turn increases the quality of life for all Yukoners.

Economic development in Yukon, however, is not without its challenges. In order for Yukon businesses to sell their products and services to the world, Yukon will need to invest in economic infrastructure, including transportation, energy and telecommunications. The Department must work closely with all stakeholders, to develop our natural resources, stimulate the growth of an enhanced knowledge sector, support a thriving private sector, and ensure Yukoners have the skills to participate in the global economic markets of the twenty-first century.

Thank you,



Currie Dixon
Minister of Economic Development

Message from the Deputy Minister

I am pleased to introduce the 2012 update to the Department of Economic Development's Strategic Plan. This document describes our approach to economic development, originally outlined in the *Pathways to Prosperity* vision document created in 2005.

In order to achieve the vision laid out in *Pathways to Prosperity*, the Department has identified three strategic goals:

- Enable strategic and responsible economic projects.
- Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.
- Enhance the competitiveness of the Yukon business environment.

The Department is also continually working to improve its own operations and has identified two corporate goals that will focus their efforts:

- Attract, develop and engage talented people to continue to provide high quality service to the public.
- Practice open, accountable and fiscally responsible government.

Together we can make a difference. Fostering the relationships we have with Yukoners, businesses, First Nations and communities is a top priority of this department and we look forward to continuing these efforts over the next five years.

Sincerely,



Dr. Harvey Brooks
Deputy Minister

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Vision, Mission Values and Strategic Goals

Where We're Going – Our Vision

The department is a valued partner in the building of a sustainable and diversified economy, focusing on prosperity for all Yukoners while remaining cognizant of social and environmental needs.

What We Do – Our Mission

To assist our partners¹ in building a prosperous Yukon economy by creating and fostering development opportunities.

How We Will Get There – Our Strategic Goals

Department Goals

1. Enable strategic and responsible economic projects.
2. Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.
3. Enhance the competitiveness of the Yukon business environment.

Corporate Goals

4. Attract, develop and engage talented people to continue to provide high quality service to the public.
5. Practice open, accountable and fiscally responsible government.

¹ Our partners include the private sector, First Nations governments, industry associations, non-governmental organizations, other Yukon Government departments and other levels of government.

What We Believe – Our Values

- Focus on the client.
 - Treat clients with respect.
 - Be responsive, timely and deliver on promises.
 - Respect client confidentiality.
 - Obtain stakeholder input in setting goals.
- Communicate openly and effectively.
 - Keep others informed by sharing knowledge and information.
 - Listen to others and be approachable.
 - Maintain a transparent decision-making process.
- Demonstrate teamwork and team-building.
 - Respect diversity.
 - Create positive partnerships and relationships.
 - Foster an environment of continuous learning.
 - Respect our employees' needs and ideas.
- Have a positive attitude.
 - Focus on solutions, not problems.
 - Be enthusiastic and passionate in our work.
- Achieve results and goals.
 - Set challenging, yet achievable goals.
 - Prioritize and measure results.
 - Persevere and overcome obstacles.
- Show responsible leadership at all levels.
 - Lead by example.
 - Be accountable for decisions.
 - Delegate effectively and provide performance feedback.
 - Empower clients and employees.

Government of Yukon Strategic Context

A diversity of influences shape how the Government of Yukon makes decisions and allocates resources. This section provides an overview of the major political, economic, social, environmental and technological forces that may have an impact on departments' efforts in the future.

The Yukon government has assumed greater decision making powers in recent years and is moving forward to enhance the legislative, regulatory and policy tools and processes associated with these responsibilities. The government is also taking on a greater leadership role within Canada and internationally. Through its growing relationships with other governments and organizations in Canada and beyond, it will bring a northern voice and Yukon expertise to public policy issues with a view to improved programming and services. The federal government has emphasized the importance of the north to Canada's growth and sovereignty, and introduced specific initiatives to support the north's development.

The Yukon government's relationships with self-governing First Nations will continue to develop based upon the Final and Self-Government Agreements and ongoing implementation. Factors such as policies and priorities of the governments involved, capacity and governance initiatives, negotiation of subsidiary agreements and arrangements, and evolving case law regarding the duty to consult, will continue to influence relationships. Relations with First Nations without land claims and self-government agreements will also evolve based upon the priorities of the governments involved and arrangements or agreements they may enter into with Yukon and Canada.

The global economic downturn in 2008 and 2009 has generated a prolonged recovery period for global growth and ongoing volatility in some markets. Since 2004, Yukon's economy has continued to trend upward due largely to rising demand for Yukon's natural resources, tourism, wilderness and cultural experiences, and innovative products, services and talents. As a result, while federal transfer payments contribute

significantly to the Yukon economy, private sector growth makes up an increasing percentage of the territory's gross domestic product. Yukon businesses and workers will continue to benefit from this trend.

Yukon's economic growth presents some challenges. Pressures on government services, and on infrastructure such as housing, transportation and energy, will increase. Growth will increase focus on the sustainable management of our natural resources, and preservation of Yukon's natural and cultural heritage. Accompanying a growing recognition of the need to balance economic growth with maintaining a clean and healthy environment, Yukoners will expect that our incredible wilderness environment remains well managed. At the same time, climate change and the resulting permafrost melt and polar ice loss, compounded by the pressures of a larger and more mobile Yukon population, will result in infrastructure damage, new pressures on wildlife, changing habitat ranges and invasive species.

The changing needs of a growing population will place greater demands on government services, in particular education, justice, housing, health and social services.

Demographic trends point to an aging population, migration into the territory of Canadian and international workers and families, and the increasing participation of younger First Nations citizens in the Yukon labour market. Demand for quality education and increased community involvement will continue, as will the need to incorporate First Nation traditional knowledge and to prepare students for the global job market. Employers will require many types of workers, from labourers to highly-trained specialists, and a larger number of post-secondary and continuing education and adult learning programs will also be in demand. Rising costs and demographic trends will continue to place pressure on meeting the social and health needs of Yukoners, including vulnerable populations.

Technological developments will continue to influence governance, service delivery and public expectations. In an age of global connectivity citizens increasingly expect government to deliver services online and to enable public engagement. At the same

time, citizens are concerned about the protection of their electronic personal information.

In summary, the Government of Yukon is operating in an environment of rapid change from a developing economy, evolving governance and social structures, and climate change. This change will have significant implications for the activities of the Yukon government.

Department Strategic Context

Over the past eight years, the Yukon economy has experienced a prolonged period of economic growth with five of those years exceeding the average national growth rate. The economy has also been experiencing real diversification both between and within industrial sectors. Yukon has seen significant increases in mineral exploration and production, providing significant benefits to local support industries. The economy has expanded into new industries, including a growing film industry and some light manufacturing. Retail spending has also expanded, with Whitehorse serving as a regional center.

The traditional industries of mining and tourism have seen unprecedented intra-sector diversification. In mining, this means a wider range of products, from placer gold to lead-zinc. In tourism, this means a move away from reliance on rubber tire traffic to eco-tourism and expanding European marketing initiatives. New investments in highways, energy infrastructure, ports and pipelines, all in various stages of planning and development, are bringing global customers closer than ever before.

Yukon's skilled and creative citizens provide the capacity to support this growth. Self-governing First Nations have emerged as key investors in and drivers of business starts and joint ventures. The territory is home to vibrant and well-established traditional, knowledge, and creative-based industries that diversify the economy, generate revenues for citizens, and raise the profile of Yukon to the outside world as a world-class destination in which to live, work and invest.

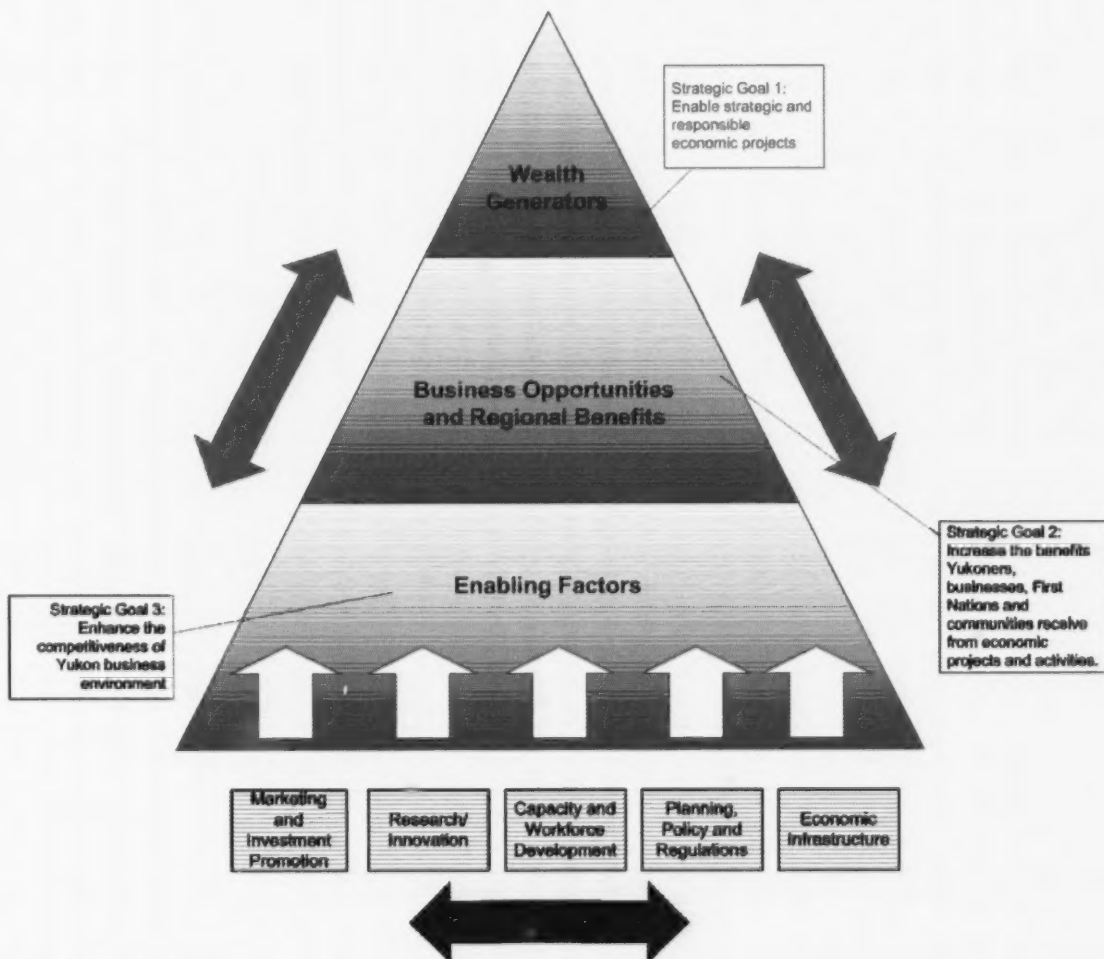
A potential challenge to the positive outlook is ongoing and heightened competition from countries and regions that contain similar resources and competitive industries, which are assisted by increasingly efficient and effective governments. As well, global competition for investment partners requires an ongoing effort to profile Yukon opportunities in both new and existing markets. This new global context requires Yukon

industry and governments to develop our competitive advantages, while addressing our constraints. This strategic planning document emphasizes where the Department of Economic Development will target its efforts in order to achieve our vision of sustainable prosperity and rewarding opportunities for Yukoners.

Our Approach to Economic Development

We believe that the best way to build Yukon's economy is to encourage the development of wealth-generating industries, building on the success of a thriving Yukon private sector. Our role is three-fold:

- Enable strategic and responsible economic projects.
- Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.
- Enhance the competitiveness of the Yukon business environment.



Enable strategic and responsible economic projects.

- Sustainable diversification of the economy will require capturing external wealth, in large part through increasing the numbers of strategic projects and activities. This wealth will come from diverse sources, such as mining; oil and gas; tourism; research, innovation and commercialization; and the film and sound industries.

Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.

- A healthy and thriving Yukon small business sector will identify and capitalize on economic growth opportunities, and will enhance the value of external wealth by circulating those dollars within Yukon.
- First Nation governments, communities and businesses will maximize the benefits from wealth generating strategic projects and activities to improve the quality of life for all Yukoners.
- Collaboration between stakeholders is a key part of successful economic development. The Department will continue to work with the private sector, First Nations, communities and other levels of government in a coordinated approach to development of the Yukon economy.

Enhance the competitiveness of the Yukon business environment.

- A number of enabling factors must be in place for the Yukon economy to thrive. A culture of research and innovation will facilitate the entry of larger projects to the territory, and support the local economy. Marketing and investment promotion must pursue new avenues and reaffirm existing networks in order to facilitate new investment and expand Yukon's exports. Capacity and workforce development will ensure organizations and citizens are positioned to take advantage of opportunities.
- Physical infrastructure, including transportation, energy and communications networks, will attract and support the growth of the Yukon private sector.
- Modern policies and regulations will play a crucial role in improving the quality of life for all Yukoners, while placing Yukon in the best position possible to seize the opportunities from global trends of increasing wealth, population and purchasing power.

Strategic Goals

This section discusses our strategic goals, outlines the objectives we have identified to realize them, and provides examples of the activities the Department will undertake.

Department Strategic Goals

Strategic Goal 1 – Enable strategic and responsible economic projects

The Department recognizes that wealth generating industries are the pillars of a thriving, Yukon economy. We will support the growth of the traditional economic drivers of mining and tourism, while facilitating the development of a diversified, knowledge-based economy.

To accomplish this we have identified the following objectives and have provided examples of strategies and actions that aim to accomplish these objectives:

1.1 Facilitate the development of mining and other resource development projects;

- Work with industry and the Department of Energy, Mines and Resources on a coordinated approach to development.
- Support, facilitate and fund the development of key strategic projects.
- Continue and expand investment attraction and project development initiatives.

1.2 Facilitate the development of tourism projects;

- Work with industry and the Department of Tourism and Culture on a coordinated approach to development.
- Support, facilitate and fund the development of key strategic projects.
- Develop external investment pathways and markets.

1.3 Facilitate the development and commercialization of research and innovation;

- Work with Yukon College and other non-governmental partners on a coordinated approach to industry development.
- Support, facilitate and fund the development of key strategic projects.

- Identify and examine opportunities to enhance innovation and commercialization of technology.
- Continue to facilitate the Yukon Cold Climate Innovation Centre.

1.4 Facilitate the development of opportunities for filmmakers and other sound recording professionals.

- Work with members of the film and sound industries to target export markets.
- Provide professional development opportunities for filmmakers and sound recording professionals.
- Encourage film productions to film in Yukon and hire Yukon crew.
- Assist Yukon film producers and sound recording professionals to develop projects which have demonstrated commercial potential.
- Support film and sound industry associations on issues of common interest.

Strategic Goal 2 – Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities

A thriving private sector provides the cornerstone of a healthy and growing Yukon economy. The Department will support Yukon businesses to identify and capitalize on opportunities, and will continue to strive to increase Yukon's share of benefits through our partnership with Yukon's businesses, First Nations and communities.

To accomplish this we have identified the following objectives and have provided examples of strategies and actions that aim to accomplish these objectives:

2.1 Support the growth of Yukon's small and medium enterprises;

- Facilitate entrepreneurial development.
- Identify and examine regional business opportunities.
- Work with export-ready companies to target external investors and markets.
- Facilitate, advise, and provide support to businesses, First Nation development corporations and start-ups.
- Support chambers of commerce and industry associations on issues of common interest.

2.2 Increase Yukon's share of benefits generated from proposed large industry developments;

- Identify, assess and communicate economic benefit and business opportunities stemming from industry development projects.
- Work with the business community, including First Nation development corporations and businesses to ensure that communities have the opportunity to secure local benefits.
- Provide support to non-governmental organizations to address challenges and to take advantage of opportunities.

2.3 Support First Nations economic development;

- Work with First Nations and First Nation development corporations to enhance their organizational capacity for economic development.
- Facilitate access to capital and financing for First Nations in their economic development ventures.
- Help facilitate potential project structures to enable equity investment by First Nations.
- Support the development of regional, First Nation and community economic development plans.

2.4 Create and enhance economic and community opportunities;

- Work with communities, First Nation governments, municipalities and others to create economic opportunities and strengthen social and community networks by funding projects with sustainable social or economic benefits.
- Through the Community Development Fund, work to improve the standard of living, social capacity, cooperation and community involvement in Yukon communities, with the aim of benefiting communities' long-term well-being.
- Work with communities to enable them to identify and pursue economic activities that will provide them with long-term sustainable economic benefits.

Strategic Goal 3 – Enhance the competitiveness of the Yukon business environment

Yukon opportunities, supported by a stable and competitive regulatory environment, provide many advantages to businesses, workers and investors. The department will continually strive to improve the business environment while promoting Yukon as a place to live, work and invest. Developing the enabling factors of an economy has the potential to increase investment in Yukon, increase exports and create opportunities for all Yukoners.

To accomplish this we have identified the following objectives and have provided examples of strategies and actions that aim to accomplish these objectives:

3.1 Support the development of strategic infrastructure required for economic development;

- Work closely with stakeholders in industry and in government to establish common priorities and plans for growth and expansion in key infrastructure areas including roads, ports, innovation, information and communications technology, transportation and energy.
- Assess the potential infrastructure requirements of key sectors of Yukon's economy to facilitate informed planning processes.
- Work with other departments and potential funding partners to assess the options for financing major infrastructure requirements.

3.2 Market Yukon as a place to live, work and invest;

- Promote Yukon's strategic and competitive advantages for business and industry investment.
- Participate in trade shows and missions in priority sectors.
- Develop, implement, evaluate and refine investment and marketing policies and programs.

3.3 Advance Yukon's economic development interests through intergovernmental forums;

- Work with Canada, provinces and territories to advance open trade relationships within the federation that recognize Yukon's economic development requirements.
- Assist Canada in the negotiation of international trade agreements.
- Enhance relationships with trading partners through participation in common initiatives.

- Advocate on behalf of industries to ensure Yukon funding requirements are included in national funding programs.

3.4 Develop policies and strategies to guide the Yukon government's economic development activities.

- Monitor, evaluate and report on business and economic trends, issues and opportunities affecting Yukon.
- Collaborate with other departments on initiatives that have implications for economic development activities.

3.5 Support capacity and workforce development.

- Work to increase opportunities available for Yukoners, through support for training.
- Support Yukon businesses by working with our partners on employee recruitment and retention initiatives.

Corporate Goals

In order to achieve our strategic vision for economic development in Yukon, the department must emphasize long-term organizational and corporate sustainability. This means becoming an employer of choice, providing high quality financial and technical support throughout the department and working closely with our partners across Government of Yukon.

To this end, there are two strategic corporate goals the department has identified.

Goal 4 – Attract, develop and engage talented people to continue to provide high quality service to the public.

To accomplish this we will:

- Attract and retain knowledgeable, motivated and productive staff.
- Promote a safe and healthy working environment.
- Foster a working environment of continuous learning and development.
- Support corporate diversity initiatives.

Goal 5 – Practice open, accountable and fiscally responsible government.

To accomplish this we will:

- Exercise sound financial and information management and planning in the delivery of service to Yukoners.
- Provide timely, straight forward information to employees, stakeholders and citizens.
- Enable Cabinet and Cabinet Committees to make timely and well-informed decisions.
- Continually improve the Department's policies and programs to ensure they remain effective and relevant in meeting the needs of Yukon's developing economy.